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Attorneys for Debtor

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF CALIFORNIA

In Re:	Case No. 25-10088 WJL
Kingsborough Atlas Tree Surgery, Inc.	Chapter 11
Debtor.	NOTICE OF PROPOSED ABANDONMENT OF PERSONAL PROPERTY [11 USC § 554]
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TO PARTIES IN INTEREST:

NOTICE IS HEREBY GIVEN that Kingsborough Atlas Tree Surgery, Inc. ("Debtor") intends to abandon the following personal property pursuant to 11USC § 554: 2017 Caterpillar 308-D Excavator (\$50,000); 2017 Rotobec Rotating Grapple Attachment (\$5,000); 2019 Vermeer CTX (\$27,000) (the "Equipment"). Notice of the proposed abandonment is given pursuant to FRBP Rule 6007.

JURISDICTION AND VENUE

1. On February 20, 2025, an order for relief under Chapter 11 of Title 11 of the United States Code was entered herein. Debtor is a debtor-in-possession.

2. This Court has subject matter jurisdiction over this matter pursuant to the provisions of 28 U.S.C. §§ 1334(b) and 157(b)(2)(A) and (O). Venue is proper here pursuant to the provisions of 28 U.S.C. § 1409.

FACTUAL AND PROCEDURAL BACKGROUND

1           3. In June of 2023, Debtor entered an Asset Purchase Agreement (“APA”) with Anvil  
2 Builders and related entities (“Anvil”) wherein Debtor sold its tree care business to Anvil. Anvil  
3 contends that pursuant to the terms of sale Debtor granted to Anvil a security interest in all of the  
4 Debtor’s assets that includes the Equipment that is to be abandoned. Debtor disputes this  
5 contention.

6           4. On April 10, 2025, Debtor filed its Motion for Authority to Sell Personal Property  
7 wherein Debtor sought authority to sell the Equipment at the sale price of \$82,000, with the sale  
8 proceeds to be paid to Commercial Credit Group that holds an undisputed perfected security  
9 interest in the Customer List as security for Debtor’s nearly \$2,000,000 obligation to  
10 Commercial Credit Group (Dkt No. 112). Anvil objected to Debtor’s sale of the Equipment by  
11 asserting, among its several objections, that Anvil holds a security interest in the Equipment.  
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13           5. In addition to the \$2,000,000 blanket lien on the Debtor’s equipment, the Small  
14 Business Administration has a junior blanket lien on the equipment to secure a loan with a  
15 principal balance of approximately \$175,000.

#### 16 ABANDONMENT

17           6. 11 U.S.C. Section 554 provides that “[a]fter notice an a hearing, the trustee may  
18 abandon any property of the estate that is burdensome to the estate or that is of inconsequential  
19 value and benefit to the estate.” The sale of the Equipment Debtor no longer utilizes would pay  
20 down Debtor’s obligation to Commercial Credit Group that would, combined with future sales of  
21 CCG’s collateral, create equity that would benefit junior lien holders, as well as the unsecured  
22 creditors. However, the cost to litigate Anvil’s claim to a security interest that is junior to more  
23 than \$2,000,000 in senior liens balanced against the benefit to the estate from the proposed sale  
24 renders the Equipment of inconsequential value and benefit to the estate and therefore should be  
25 abandoned.

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OPPORTUNITY TO OBJECT

7. FRBP Rule 6007 provides:

Unless otherwise directed by the court, the trustee or debtor in possession shall give notice of a proposed abandonment or disposition of property to the United States Trustee [and] all creditors....A party in interest may file and serve an objection within 14 days of the mailing of the notice, or within the time fixed by the court.

If there is a timely objection a hearing will be held at 9:30 am on July 1, 2025 in the courtroom of the Honorable William Lafferty, 1300 Clay Street, Room 220, Oakland, CA 94612. Parties may participate in the hearing by video conference. The procedure for appearing by Tele/Video Conference can be found at [www.canb.uscourts.gov](http://www.canb.uscourts.gov).

Dated: June 11, 2025

/s/ Michael C. Fallon  
Michael C. Fallon  
Attorney for Debtor